



OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES (OMWBE)

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DIRECTOR**



OMWBE Vision and Purpose

- Partner with state agencies, local governments and private corporations to increase participation of certified businesses in procurement opportunities.
- Be an ombudsman and advocate for certified firms.
- Provide DBE (federal) and State Certification to minority, women and disadvantaged firms.
- Facilitate Business Development Programs.



OMWBE

Purchasing Authority and Authorizing Law

- Chapter 39.19 RCW establishes the Minority and Women's Business Enterprise program...
“Maximum practicable opportunity” in all public works and procurement.
- Governor's Executive Order 98-01: “Efforts to increase the number of contractors from under-represented groups shall be intensified to make sure all qualified contractors are included...”



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Purchasing Authority and Authorizing Law

- Initiative 200: Prohibits “Preferential Treatment” in Public Contracting based on race and gender.
- Agency goals to achieve diversity should continue as laudatory.
- State Supreme Court Decision on I-200 allows affirmative actions programs “that take positive steps to achieve greater representation.”



Principles of Purchasing

- Ethical Behavior and Conduct.
- Open and Effective Competition.
- Enhancing State's Socio-Economic Goals.



Applied Private Sector “Best Practices”

- Research private corporate Supplier Diversity.
- Create sustainable opportunities for small businesses, especially those owned by MWBEs.
- Develop sourcing strategies that provide qualified MWBE firms.
- Create a “best practices” manual and training program for state employees.



Recognized Best Practice Firms

- 25 Corporations including, locally:

Boeing

Washington Mutual

Costco

Nike

Microsoft

Starbucks

Nordstrom

Seattle Mariners



Best Practices - Second Tier

- Select general contractors and prime suppliers with a commitment to supplier diversity.
- Develop plans during bidding and finalize during contract negotiations.
- Monitor and Report.
- Assist Primes and GC's to meet goals.



Best Practices – Corporate Commitment

- Upper management involved throughout process.
- Active search for creative ways to succeed.
- Measurement and accountability at all levels.



Best Practices – Process Fairness

- Opportunities must be Real.
- Competitive and Fair Bidding Process.
- Open and Honest Communications.



A New Synergy

A vigorous team approach will yield rewards for agencies and capable small businesses.



Budget and Funding Sources

- Operating budget is approximately \$2M for the FY 2004-2005 biennium.
- Funding sources are: state agencies and institutions, political subdivisions, businesses applying for certification services, and Interagency Agreements with WSDOT/Federal Highway Administration.
- Staffing is 17 FTEs.

Current OMWBE Budget

EXPENDITURES		Budgeted Expenditures			
SubObjec	TITLE	FY 2004	FY 2005		
A	Salaries and Wages	\$ 790,956	\$ 829,497		
B	Employee Benefits	170,245	193,443		
C	Personal Services Contracts	162,000	135,000		
E	Goods and Services	397,752	268,535		
G	Travel	22,858	34,500		
J	Capital Outlays	11,125	0		
S	Reimburse.-DOT DBE	(262,000)	(272,000)		
S	Reimburse.-DOT Support Svcs	(180,000)	(180,000)		
S	Reimburse. Private Support Svcs	(10,000)	(90,000)		
	AGENCY TOTAL	\$ 1,102,936	\$ 918,975	\$ 2,021,911	Projection
		1,001,400	1,020,600	2,022,000	Appropriati
		\$ (101,536)	\$ 101,625	\$ 89	Variance
REVENUE					
SubSource 20					
000001	Local	\$ 140,000	\$ 140,000		
000002	State	767,017	766,983		
000003	Application Fees	15,000	50,000		
None	Grant Income - Misc	10,000	50,000		
	REVENUE TOTAL	\$ 932,017	\$ 1,006,983		



OMWBE Services to State Agencies and Institutions

- Supplier Diversity Buyer Training
- MWBE Plan Development Assistance
- Agency Goal Setting and Best Practice Plans
- Individual Contract Goalsetting – Availability Analysis
- Outreach and Solicitation Assistance
- Contract Language Development and Review



OMWBE Products

- **Online Catalogue of 2400 Certified Firms**
- **Contract Management and Tracking System**
 - **Availability Studies**
 - **Bid Tracking**
 - **Subcontract Reporting**
 - **Federal Contract Reporting**
- **Monthly Performance Report of MBE/WBE Utilization**



Rates for State Agencies and Institutions – Step One

**Determine The Total Operational Costs
For OMWBE For The Biennium**



Rates for State Agencies and Institutions – Step Two

- Calculate Each Agency's Share
 - Determine the dollars expended for the previous three years in public works, architectural/engineering services, professional services, purchased goods or purchased services from an AFRS download.
 - Enter the data for each year by agency into a spreadsheet. (Columns 1 –4)
 - Sum the data for the three years. (Column 5)
 - Divide the sum by three to determine each agency's average annual amount. (Column 6)



Rates for State Agencies and Institutions – Step Two (cont.)

- Calculate Each Agency's Share
 - Divide the average for each agency by the total for all agencies to determine what percentage of the total it represents. (Column 7)
 - Apply the percentage to OMWBE's biennial costs, minus the amount billed to the local jurisdictions, to determine each agency's share. (Column 8)

Rates for State Agencies and Institutions

– Sample Calculation

1	2	3	4	5	6	7		8
AGENCY	YEAR 1	YEAR 2	YEAR 3	TOTAL	AVG	% OF TOTAL		AGENCY SHARE
A	171,500	91,750	119,600	382,850	127,617	10.23%		204,585
B	28,100	102,500	35,000	165,600	55,200	4.42%		88,492
C	22,000	20,000	10,000	52,000	17,333	1.39%		27,787
D	150,000	175,000	200,000	525,000	175,000	14.03%		280,546
E	20,000	150,000	125,000	295,000	98,333	7.88%		157,640
F	110,000	150,000	128,500	388,500	129,500	10.38%		207,604
G	205,000	225,000	285,000	715,000	238,333	19.10%		382,077
H	165,000	125,000	195,750	485,750	161,917	12.98%		259,572
I	180,000	250,000	165,000	595,000	198,333	15.90%		317,952
J	50,000	78,000	10,000	138,000	46,000	3.69%		73,744
	1,101,600	1,367,250	1,273,850	3,742,700	1,247,567	100%		2,000,000
OMWBE'S TOTAL COSTS				2,500,000				
DEDUCTIONS				500,000				
AMOUNT BILLABLE TO AGENCIES				2,000,000				



OMWBE'S CHALLENGE

- Certify more firms that provide the goods and services Agencies use.
- Certify firms with good financial internal controls.
- Identify firms that are ready, willing and able.
- Ensure that agencies get credit for all they do.
- Produce Agency ORS reports more timely.



OMWBE IS YOUR RESOURCE

You have a Liaison at OMWBE...

Do you know who it is?

We can train your people...

All it takes is a call!

QUESTIONS???